

## Directors Report 2018/2019

The Directors are pleased to report that our solar rooftop assets continue to perform as expected, our community fund is thriving, demonstrating the desired outcomes we envisaged, and Energise Barnsley is represented at national level in helping to shape the transition to a fair low carbon electricity system.

The 'Performance Report' which follows describes in detail this year's residential and commercial rooftop solar returns. We were pleased that our asset manager, Generation Community Ventures, undertook remedial works that ensured we had over 98.5% availability for our sites over the crisp clear winter months. Our schools were able to use all the solar generation on site for those months, resulting in higher PPA (power purchase agreement) returns compared to the forecast model. The project offers a very generous PPA price to the schools, maximising their electricity bill savings, in addition to the reduced carbon emissions.

The Directors recommend paying 5% interest to bondholders.

Our residents have now collectively saved over £150,000 in electricity bill savings since the solar panels were installed, and over 1,600 tonnes of CO2 emissions have been reduced.

Tenants with the battery and solar fitted are reporting savings of over 50% from their electricity bills, compared to the time before the installations, which is pleasing as the project is in a predominantly retired community.

Our social impact report from the 2018/19 community solar fund will be published later this year.

We are pleased to announce two initiatives this year connected to the community solar fund.

The fund will receive a 40% uplift from the 'surplus' of Barnsley Metropolitan Borough Council's energy white label tariff 'Great North Energy'. When launching the not for profit energy tariff, any surplus the council made on administering the scheme was to be recycled within the local community through our community fund, for which the Society is truly grateful.

In addition to this we facilitated and worked with the Four Winds Cooperative, who have a wind turbine between Cudworth and Grimethorpe, to channel their community fund into a local initiative we have been supporting and utilising, the Better Barnsley Bond, through the Henry Boot Foundation.

Our 2018/19 community solar fund co-invested with the Henry Boot Foundation, into FareShare Yorkshire, Yorkshire's leading food redistribution charity, for an 8 – 12 week employability provision programme to nine unemployed people who lacked the tangible skills, relevant experience and resilience they needed to move into and remain in employment. The report from this program is attached to our AGM meeting, and will feature in our annual social impact report.

It is a pleasure to welcome to our AGM, another community fund grantee, Grimethorpe Community Farm, who will be presenting on the role they play as a community asset in Grimethorpe and how our funding has aided this process.

Our residential solar and battery storage project at Oxspring has completed, with the final network study report to be released shortly. It has proved to be a very valuable project with many insights and learning's for any future local successful low carbon flexible electricity market. We collectively thank the tenants in Oxspring for their support and encouragement throughout the project, including one of the tenants who will be standing for board election at the AGM.

Our second innovation project 'Project Breathe' was successful in selection for phase two, by the Department for Business, Energy and Industrial Strategy, after review of our feasibility study.

For 'Project Breathe' Energise Barnsley is leading a collaboration of academic and commercial partners in developing a commercial domestic demand side response model. This is a two-year project, and builds on our learning and understanding from our solar and storage project. We are using a smart battery in conjunction with solar, air source heat pumps and an in home smart device and control app, for tenants to further increase their electricity bill savings, increase their energy awareness and control, whilst developing a residential demand side response model for participation in future flexible electricity markets.

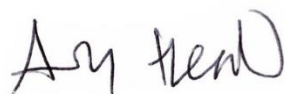
From the vote at last years AGM we embarked on a journey to try and utilise our old mining assets through an employment, research and development programme. Our grant funding application was unsuccessful unfortunately as the technology proposed was too early stage for the grantor.

We have been reviewing the theme of utilising our old mining assets for low carbon technologies, and will host a conference later this year, in order to support a wider application to a new climate action fund, to be launched shortly.

The London School of Economics & Grantham Research Institute featured Energise Barnsley in a report for 'Financing inclusive climate action in the UK' – 'An Investor roadmap for the just transition.'

We also continue to represent Community Energy England, and Energise Barnsley on the Energy Networks Association steering group for decentralised energy, and are part of the Ofgem challenger group for Future Network Access and Forward Looking Charges, with a focus on protecting our low carbon domestic energy users in any revision to how our electricity is billed, whilst encouraging the ability for local energy trading.

With best wishes,



**Andy Heald**  
**Director**

## Solar Performance and O&M Report

(Period: 01 Aug 2018 to 31 July 2019)

### Residential – Generation (kWh's and O&M)

The generation performance of the residential portfolio was 1.39% higher compared to the previous 12 months. Three main factors contributed to this:

- The period spanning January 2019 through to April 2019, was drier and brighter than usual, helping to offset the unusually wet June in which sunlight levels were poor.
- Our O&M programme has been effective at addressing maintenance issues and keeping offline or underperforming systems to a minimum. In particular we resolved several O&M issue at the turn of the year, allowing the portfolio to capitalise on the favourable weather between January and April 2019.

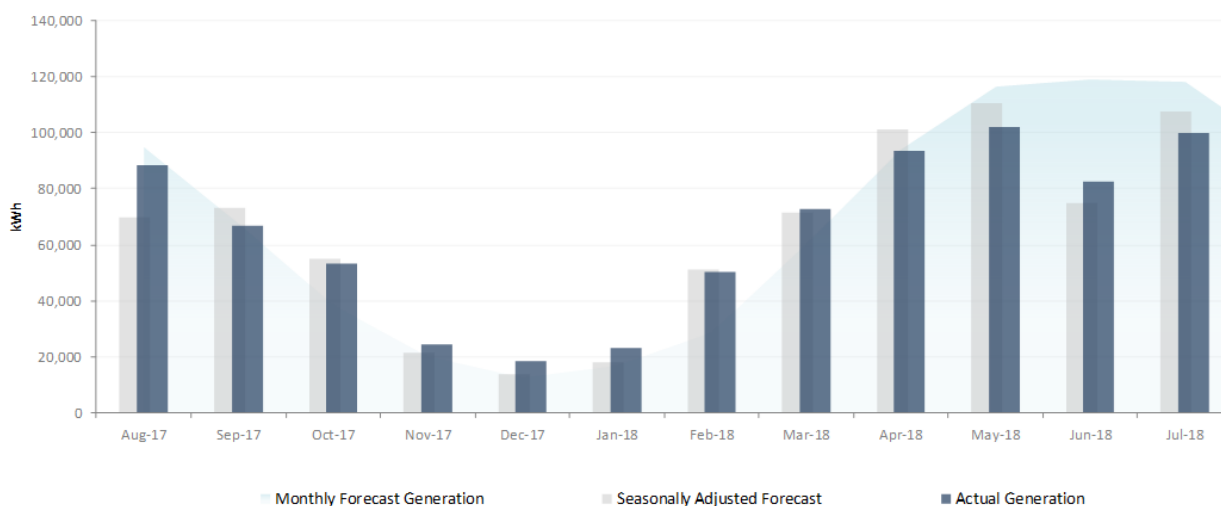
Over the 2019 summer we have seen an increase in the number of systems, which require an inverter replacement. Although this is to be expected at this stage in the life of the portfolio, we have taken the measure to increase the number of replacement inverters kept in reserve. This will allow us to sidestep any delays that might arise from ordering replacement inverters and return systems to an operational state in a much faster time.

We currently have 6 offline systems, which are currently being addressed, out of a total of 320 residential homes.

### Residential – Revenue

Revenue from the electricity rose by 4.67% relative to the previous 12 months. This is partly due to the feed in tariff indexation of 2.7%, which took effect from April 2019 – meaning that the income per unit of electricity generated was higher the previous year.

Residential – Summary Table					
Generation (kWhs)			Revenue (£) net of VAT		
Aug17-July18	765,266	+1.39%	Aug17-July18	111,345	+4.67%
Aug18-July19	775,879		Aug18-July19	116,541	



### Commercial – Generation (kWh’s and O&M)

The generation performance of the commercial portfolio was marginally lower (0.98%) compared to the previous 12 months, owing mainly to the exceptionally bright May-July period of 2018. O&M issues have been kept to a minimum however which has enabled the portfolio to make the most of the sunlight available.

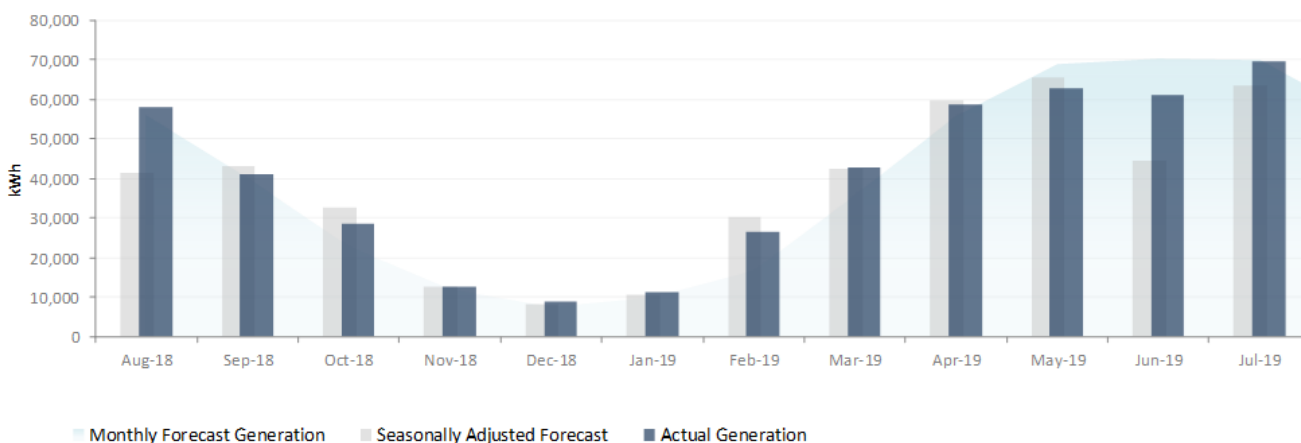
### Commercial – Revenue

Despite slightly lower underlying generation FIT Revenue from the commercial systems was 2.27% above the equivalent period last year. This lift correlates with a 2.7% rise in the feed in tariff indexation which took effect from April 2019.

PPA (power purchase agreement) revenue from the latest billing period (August 2018 to July 2019) came in at £25,199, substantially above the level forecast for that period in the portfolio model. This is partly due to accumulated indexation of 4.1% (2018) and 2.7% (2019) respectively. In addition, generation levels remain high, and onsite consumption is higher than anticipated.

Commercial – Summary Table					
Generation (kWhs)			Revenue (£) net of VAT		
Aug17-July18	484,167	-0.98%	Aug17-July18	56,522	+2.27%
Aug18-July19	479,442		Aug18-July19	57,805	

PPA Revenue (£)		
Modelled Level	14,674	PPA revenue is much higher than was originally anticipated by the portfolio model
July18-Aug19	25,199	



### Overall Summary of Portfolio Revenue (July 18 to Aug 19)

Residential Income	£116k
Commercial Income	£58k
PPA Income	£25k
<b>TOTAL (July18 to Aug 19)</b>	<b>£199k</b>